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SENATE BILL 266

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Michael S. Sanchez

FOR THE CORRECTIONS OVERSIGHT, COURTS AND JUSTICE COMMITTEE

AN ACT

RELATING TO RETIREMENT OF PUBLIC EMPLOYEES; CREATING A NEW
RETIREMENT PLAN FOR JUVENILE CORRECTIONAL OFFICERS EMPLOYED BY
THE CHILDREN, YOUTH AND FAMILIES DEPARTMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Public Employees
Retirement Act is enacted to read:

"[NEW MATERIAL] STATE HAZARDOUS DUTY MEMBER COVERAGE PLAN
3-- APPLICABILITY. --

A. State hazardous duty member coverage plan 3 is
applicable to hazardous duty members in the first full pay
period after July 1, 2006 if the retirement board certifies to
the secretary of state that a majority of the members voting of
those members to be covered under state hazardous duty member
coverage plan 3 has voted to approve adoption of this plan at

underscored material = new
[bracketed material] = delete

1 an election conducted pursuant to Section 8 of this 2005 act.

2 B. The actual credited service of a hazardous duty
3 member shall be increased by twenty percent for the purposes of
4 state hazardous duty member coverage plan 3. "

5 Section 2. A new section of the Public Employees
6 Retirement Act is enacted to read:

7 "[NEW MATERIAL] STATE HAZARDOUS DUTY MEMBER COVERAGE PLAN
8 3--AGE AND SERVICE CREDIT REQUIREMENTS FOR NORMAL
9 RETIREMENT.--Under state hazardous duty member coverage plan 3,
10 the age and service credit requirements for normal retirement
11 are:

12 A. age sixty-five years or older and five or more
13 years of service credit;

14 B. age sixty-four years and eight or more years of
15 service credit;

16 C. age sixty-three years and eleven or more years
17 of service credit;

18 D. age sixty-two years and fourteen or more years
19 of service credit;

20 E. age sixty-one years and seventeen or more years
21 of service credit;

22 F. age sixty years and twenty or more years of
23 service credit; and

24 G. any age and twenty-five or more years of service
25 credit. "

underscored material = new
[bracketed material] = delete

1 Section 3. A new section of the Public Employees

2 Retirement Act is enacted to read:

3 "[NEW MATERIAL] STATE HAZARDOUS DUTY MEMBER COVERAGE PLAN
4 3--AMOUNT OF PENSION--FORM OF PAYMENT A.--Under state hazardous
5 duty member coverage plan 3, the amount of pension under form
6 of payment A is equal to three percent of final average salary
7 multiplied by service credit. The amount shall not exceed
8 eighty percent of the final average salary."

9 Section 4. A new section of the Public Employees

10 Retirement Act is enacted to read:

11 "[NEW MATERIAL] STATE HAZARDOUS DUTY MEMBER COVERAGE PLAN
12 3--FINAL AVERAGE SALARY.--Under state hazardous duty member
13 coverage plan 3, the final average salary is one thirty-sixth
14 of the greatest aggregate amount of salary paid a member for
15 thirty-six consecutive but not necessarily continuous months of
16 service credit. Under state hazardous duty member coverage
17 plan 3, if a member has less than thirty-six months of service
18 credit, the final average salary is the aggregate amount of
19 salary paid a member for the member's period of service credit
20 divided by the member's service credit."

21 Section 5. A new section of the Public Employees

22 Retirement Act is enacted to read:

23 "[NEW MATERIAL] STATE HAZARDOUS DUTY MEMBER COVERAGE PLAN
24 3--MEMBER CONTRIBUTION RATE.--A member under state hazardous
25 duty member coverage plan 3 shall contribute seven and six-

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1 tenths percent of salary starting with the first full pay
2 period that ends within the calendar month in which state
3 hazardous duty member coverage plan 3 becomes applicable to the
4 member. "

5 Section 6. A new section of the Public Employees
6 Retirement Act is enacted to read:

7 "[NEW MATERIAL] STATE HAZARDOUS DUTY MEMBER COVERAGE PLAN
8 3--STATE CONTRIBUTION RATE.--The state shall contribute
9 twenty-five and one-tenth percent of the salary of each member
10 covered by state hazardous duty member coverage plan 3 starting
11 with the first pay period that ends within the calendar month
12 in which state hazardous duty member coverage plan 3 becomes
13 applicable to the member. "

14 Section 7. A new section of the Public Employees
15 Retirement Act is enacted to read:

16 "[NEW MATERIAL] SERVICE CREDIT UNDER STATE HAZARDOUS DUTY
17 MEMBER COVERAGE PLAN 3 REQUIRED.--Notwithstanding the
18 provisions of Section 2 of this 2005 act, to qualify for
19 payment under state hazardous duty member coverage plan 3, a
20 member shall have one and one-half years of service credit
21 earned under state hazardous duty member coverage plan 3
22 subsequent to July 1, 2006. "

23 Section 8. TEMPORARY PROVISION--ELECTION.--On or before
24 October 1, 2005, the retirement board of the public employees
25 retirement association shall conduct elections to submit to

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[bracketed material] = delete

1 members currently contributing under state hazardous duty
2 member coverage plan 2 the question of adopting state hazardous
3 duty member coverage plan 3. The elections shall be conducted
4 in accordance with procedures adopted by the board. The
5 procedures shall afford all affected members an opportunity to
6 vote. The retirement board shall certify the results of the
7 elections to the secretary of state on or before November 1,
8 2005.